

PALMETTO ASSISTANCE LOAN APPLICATION AND SOLICITATION DISCLOSURE STATEMENT



PO Box 102405, Columbia, SC 29224
 (800) 347-2752
 www.scstudentloan.org

Loan Interest Rate & Fees

Your interest rate will be either

4.99%	or	6.99%
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Your Interest Rate (upon approval)

The interest rate you pay will be determined after you apply. Borrowers who choose to make interest-only payments during the Enrolled Period followed by full payments during repayment may be approved with a 4.99% rate. Borrowers who choose to postpone making interest-only payments and agree to make a \$25/month minimum payment during the Enrolled Period followed by full payments during repayment may be approved with an 6.99% rate. If approved, we will notify you of the rate for which you qualify.

Your Interest Rate during the life of the loan

Your rate is fixed. This means that your rate will remain the same for the life of your loan.

Loan Fees

Application Fee: None. **Origination Fee:** None. **Repayment Fee:** There is no fee charged when you begin repayment. **Late Payment Fee:** 5% of the unpaid amount, not to be less than \$7.20 or more than \$18.00, will be charged if a payment is more than 10 days late. The amounts will increase as allowed by Section 37-1-109, Code of Laws, South Carolina (1976). **Returned Item Charge:** \$25. This fee may periodically increase without notice to you.

Loan Cost Examples

The total amount you will pay for this loan will vary depending upon when you start to repay it. This example provides estimates based upon three (3) different repayment options available to you while enrolled in school.

Repayment Option (while enrolled in school)	Amount Provided (amount provided directly to you or your school)	Interest Rate (highest possible starting rate)	Loan Term (how long you have to pay off the loan)	Total Paid over 10 years (includes associated fees)
1. Make Interest-only Payments Make full interest payments but defer payments on the principal amount while enrolled at least half-time in school.	\$10,000	4.99%	10 years starting <u>after</u> the Enrolled Period	\$15,139.50
2. Make a \$25/month Minimum Payment Pay only \$25/month while enrolled at least half-time. Interest will be charged and any unpaid accrued interest will be added to your loan.	\$10,000	6.99%	10 years starting <u>after</u> the Enrolled Period	\$18,449.71
3. Make Full Payment of Interest and Principal	\$10,000	4.99%	10 years beginning with your first payment during the Enrolled Period	\$12,687.32

About this example

This repayment example assumes that the student remains in school for 4 years before entering the Repayment Period. It is based on the actual interest rate charged and associated fees. For loan amounts greater than or equal to \$17,500, the Repayment Period will last 15 years, beginning on the day after the student ceases to be enrolled on at least a half-time basis.

SEE BACK OF PAGE

Federal Loan Alternatives

Loan Program	Current Interest Rates by Program Type
PERKINS for Students	5% fixed
DIRECT STAFFORD for Students	3.76% fixed* Undergraduate subsidized and unsubsidized
	5.31% fixed* Graduate unsubsidized
DIRECT PLUS for Parents and Graduate / Professional Students	6.31% fixed*

You may qualify for Federal education loans.

For additional information, **contact your school's financial aid office or the Department of Education at:**

www.federalstudentaid.ed.gov

** Effective for new loans for which the first disbursement is on or after July 1, 2016 through the following June 30.*

Next Steps

1. Find Out About Other Loan Options.

Some schools have school-specific student loan benefits and terms not detailed on this form. Contact your school's financial aid office or visit the Department of Education's web site at: www.federalstudentaid.ed.gov for more information about other loans.

2. To Apply for this Loan, Complete the Application and the Self-Certification Form.

You may get the certification form from your school's financial aid office. If you are approved for this loan, the loan terms will be available for 30 days (terms will not change during this period, except as permitted by law).

REFERENCE NOTES

Interest Rate

- This loan has a fixed interest rate.

Eligibility Criteria

Borrower Must:

- be a student, or the natural or adoptive parent of a student;
- be enrolled on at least a half-time basis in a certificate or degree granting program at an eligible school;
- be attending a public or not-for-profit college or university (exception: Charleston School of Law) located within the U.S. that is deemed eligible by the U.S. Department of Education for participation in the Title IV, HEA programs and that has a 3-year cohort default rate of less than 20% for the most recent reporting year. Due to conflicts with applicable state laws, residents of MA, OK, and WV are not eligible;
- be a SC resident attending an eligible school in the U.S., or an out-of-state resident attending an eligible SC school;
- maintain satisfactory academic progress as defined by the institution for other financial aid programs;

- not be incarcerated;
- be creditworthy;
- be in good standing on other educational loans; and
- be a U.S. citizen, national or permanent resident of the U.S.

Cosigners:

- All borrowers under the age of 24 are required to have a creditworthy cosigner, preferably a parent or legal guardian. Other eligible borrowers are not required to have a cosigner unless they fail to meet credit requirements. PLEASE NOTE: You may not serve as your own cosigner. A cosigner must be at least 24 years of age, be a U.S. citizen, national or permanent resident, and must be employed or retired to qualify.

Bankruptcy Limitations

- If you file for bankruptcy you may still be required to pay back this loan.

More information about loan eligibility and repayment deferral or forbearance options is available in your loan application and loan agreement.

The Palmetto Assistance Loan

What is the Palmetto Assistance Loan?

The Palmetto Assistance Loan (PAL) is SC Student Loan's private education loan for students enrolled at least half-time in an eligible school and parents of eligible students.



What are the eligibility criteria?

To be eligible for a PAL loan, you must:

- be a student, or the natural or adoptive parent of a student;
- be enrolled on at least a half-time basis in a certificate or degree granting program at an eligible school;
- be attending a public or not-for profit college or university (exception: Charleston School of Law) located within the U.S. that is deemed eligible by the U.S. Department of Education for participation in the Title IV, HEA programs and that has a 3-year cohort default rate of less than 20% for the most recent reporting year. Due to conflicts with applicable state laws, residents of MA, OK, and WV are not eligible;
- maintain satisfactory academic progress as defined by the institution for other financial aid programs;
- not be incarcerated;
- be creditworthy;
- be in good standing on other educational loans;
- be a U.S. citizen, national or permanent resident of the U.S.; and
- be a SC resident attending an eligible school in the U.S., or an out-of-state resident attending an eligible SC school.

How much can be borrowed?

You may request a minimum of \$2,000 up to an annual maximum of the cost of attendance less any other financial aid. PAL loans have a lifetime maximum of \$100,000 for the borrower or cosigner which includes PAL loans previously obtained through SC Student Loan.

What is the interest rate?

PAL loans first approved on or after August 9, 2016, will have a fixed interest rate for the life of the loan of 4.99%. If a borrower chooses to postpone payment of full interest while the student is enrolled in school on at least a half-time basis, the borrower's interest rate will be 6.99%. *Borrowers choosing to postpone full interest payments while the student is enrolled will be required to make a \$25 minimum monthly payment (not to exceed \$50 per borrower).*

Current Interest Rates		
	Fixed Interest Rate ¹	APR ²
Making interest-only payments during the Enrolled Period, then full payments during repayment	4.99%	5.04%
Making a \$25/month minimum payment during the Enrolled Period, then full payments during repayment	6.99%	7.56%

¹ Please note that interest begins accruing after each disbursement and any interest not paid during the Enrolled or Forbearance Periods is capitalized (added to the principal balance) on a quarterly basis.

² The Annual Percentage Rate (APR) shown is based on a \$10,000 loan amount and reflects the accruing interest, the effect of capitalized interest, an enrollment period of at least half time enrollment for four years and making equal payments over the term of the loan. APR varies with the length of the repayment period.

What are the advantages of the PAL?

- No application fees
- No origination fees
- The loan may be in the student's or parent's name
- Local, non-profit lender located in Columbia, SC
- The interest rate will never change after loan approval, so you will never be caught off guard by a higher payment amount due to an increase in your interest rate
- You can choose to pay the interest while enrolled in school to help lower your monthly payments once you complete your education
- Your PAL interest payments may be tax deductible*
- You will receive excellent service by SC Student Loan for the life of the loan
- If you have other loans with SC Student Loan, you will receive a single, monthly statement for all of your loans
- A .25% interest rate reduction if you sign up for Automatic Bank Draft

SC Student Loan reserves the right to alter, suspend, or terminate benefits at any time. Some conditions and/or restrictions may apply to benefit programs.

*We strongly recommend that you consult an expert tax advisor to discuss how the regulations apply to your particular situation, or that you review the tax laws and applicable regulations to determine whether the interest paid on your educational loan is deductible. SCSL cannot ensure that interest paid on individual loan(s) will be tax-deductible.

How can I spend the money?

Your PAL Loan can be used to pay for educational expenses at the school that completes the School Certification section of this application. These expenses can include tuition, fees, room and board, books, supplies, transportation, and a computer.

How will I get my loan money?

Loan funds will be sent directly to the school. Generally, your loan will be disbursed in two equal amounts - half at the beginning of the school year, and the remaining half midway through the school year. The financial aid office at your school will let you know when loan funds are ready for you.

Can payments be postponed?

Interest payments are due while the student is enrolled unless you elect to postpone payments of full interest on the application. Interest accrues on the loan from the date of the first disbursement and is capitalized quarterly. If you have elected to make payments of full interest, you will receive a monthly statement indicating the amount of interest due. Payments made during the student's period of enrollment will begin within 60 days of the loan being fully disbursed.

Payments may be postponed during repayment. This is called a forbearance and may be granted at the sole discretion of SC Student Loan. Forbearance is limited to 12 months within a 24-month period and has a lifetime maximum of 3 years (36 months). You must contact SC Student Loan in order to receive a forbearance.

When does repayment begin?

Full repayment (principal + interest) begins within 60 days after the student drops below half-time enrollment. Balances less than \$17,500 are scheduled to repay within 10 years. Balances of \$17,500 or more are scheduled to repay within 15 years.

Amount Borrowed	Length of Repayment*	4.99% Monthly Payment Amount*	6.99% Monthly Payment Amount*
\$10,000	10 years	\$107.00	\$117.00
\$15,000	10 years	\$160.00	\$175.00
\$20,000	15 years	\$159.00	\$180.00
\$40,000	15 years	\$317.00	\$360.00
\$60,000	15 years	\$475.00	\$539.00

* Example payment amounts and lengths of repayment are estimates based on a minimum \$50/month payment and the fixed interest rate shown.

How will this loan affect other financial aid I may be eligible for?

This loan will be counted as financial aid by the certifying institution. It may be beneficial for you to first determine eligibility for grants, scholarships, and other forms of student assistance.

Who is considered a legal resident of SC?

Independent persons who reside in and have been domiciled in South Carolina for a period of no less than twelve months with an intention of making a permanent home therein, and their dependents, may be considered eligible for a Palmetto Assistance Loan.

Independent persons who reside in and have been domiciled in South Carolina for fewer than twelve months but who have full-time employment in the State, and their dependents, may be considered eligible for a Palmetto Assistance Loan for as long as such independent person is employed on a full-time basis in the State.

The residence and domicile of a dependent minor shall be presumed to be that of the parent of such dependent minor.

Will I need a cosigner?

All borrowers under the age of 24 are required to have a creditworthy cosigner, preferably a parent or guardian. Other eligible borrowers are not required to have a cosigner unless they fail to meet credit requirements. PLEASE NOTE: You may not be your own cosigner. A Cosigner must be at least 24 years of age, be a U.S. citizen, national or permanent resident, and must be employed or retired to qualify.

CREDIT REPORTING AGENCY NOTIFICATION:

We may report information about your account to credit reporting agencies. Late payments, missed payments, or other defaults on your account may be reflected in your credit report.

Apply Online!

Completing the online pre-application can save valuable time during the application process as well as help the school's Financial Aid Administrator complete your financial aid award package as soon as possible.

1. Visit www.scstudentloan.org.
2. Click *Apply For a Loan*.
3. Under Palmetto Assistance Loan, click *Apply Online Now*.
4. Follow the simple step-by-step instructions.



Application and Promissory Note

South Carolina Student Loan

IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW LOAN ACCOUNT: To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens a loan account. What this means to you: Your name, address, date of birth, and other information collected on this form will be used to verify your identity. You may also be asked to provide your driver's license or other identifying documents.

Borrower Information: (Please type or print in ink. Read instructions carefully.)

1. Social Security Number	2. Legal Name		
	(Last)	(First)	(MI)

3. Permanent Mailing Address	Street	City	State	Zip
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4. Temporary Mailing Address	Street	City	State	Zip
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5. Date of Birth (mm/dd/yyyy)	6. Driver's License	7. Have you ever defaulted on a student loan?
	State Number	(If yes, please send a copy of paid-in-full letter.) <input type="checkbox"/> Yes <input type="checkbox"/> No

8. U.S. Citizenship Status (Check one, and list ID number if applicable)	9. Home Phone () Cell Phone ()
<input type="checkbox"/> U.S. citizen or national <input type="checkbox"/> Neither	Email
<input type="checkbox"/> Permanent Resident Alien Registration No. _____	10. School Name

11. a. Loan Amount Requested For Loan Period	b. Loan Period
\$ _____	From(mm/yyyy) / To (mm/yyyy) /

12. Legal resident of what state?	13. Select one:
_____ Since _____ (mm/yyyy)	<input type="checkbox"/> I agree to make interest payments during the Enrolled Period. My interest rate is 4.99%.
	<input type="checkbox"/> I agree to make a \$25 minimum monthly payment per loan during the Enrolled Period. My interest rate is 6.99%.
	<i>(see "Interest" on the reverse)</i>

14. References: You must have two separate references with different U.S. addresses.

Name _____	Name _____
Address _____	Address _____
City/State/Zip _____	City/State/Zip _____
Home Phone _____	Home Phone _____
Relationship to Borrower _____	Relationship to Borrower _____

15. Employment Information	16. Gross Monthly Income
Employer _____ Address _____	\$ _____
City _____ State _____ Zip _____ Telephone _____	

17. Are you the student or a parent borrowing on behalf of an eligible student? Student Parent

If you are a parent, please complete a and b below.

a. Student's Social Security Number _____ b. Student's Legal Name _____

_____ Last First MI

Promise to Pay: For value received, I promise to pay to the order of the South Carolina Student Loan Corporation (SCSLC) the sum equal to all loan amounts under the terms and conditions of this Application and Promissory Note, not to exceed the amount in item 11a. above, together with interest and other charges/fees, which may become due as provided in this Application and Promissory Note. The principal, interest, and charges/fees are due and payable according to the terms and conditions of this Application and Promissory Note. If I fail to make payments on this promissory note when due, SCSLC may demand that I repay this entire loan immediately. I understand that this is a Promissory Note. I will not sign this Application and Promissory Note before reading it, including the writing on the reverse side, even if otherwise advised. I am entitled to an exact copy of the Application and Promissory Note. My signature certifies that I have read, understand, and agree to the terms and conditions of this Application and Promissory Note which appear on both the front and back sides of this form and includes the Borrower Certification and Authorization.

THIS IS NOT A GRANT. IT IS A LOAN WHICH I MUST REPAY.

18. I have read and agree with the Promissory Note and Borrower's Certification

Signature of Borrower _____	Date (mm/dd/yyyy) _____
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Upon completion, submit this form and the School Certification Form to your college's financial aid office.
After college financial aid office's completion, both forms should be sent to:
SC Student Loan, PO Box 102405, Columbia, SC 29224.

Please make a copy for your records.

PAL Application and Promissory Note (continued)

As used here, "I," "Me" and "My" refer to both the borrower, and/or the benefitting student, and the cosigner. SCSLC refers to the SC Student Loan Corporation and any successor or assignee.

The loan amount(s) under this Application and Promissory Note will be determined by subtracting the Estimated Financial Aid from the school-certified Cost of Attendance. The financial aid office at my, or my benefitting student's, institution will certify eligibility for the loan. Approval of this loan is contingent on my meeting SCSLC's credit criteria. I understand SCSLC is not obligated, now or at any time, to make this or any other loan to me. The amount and the interest rate for my loan as well as any finance charges will be described to me in a notice of loan approval and disclosure statement sent when my loan is approved. I understand that SCSLC will transfer the proceeds of this loan to the certifying school electronically based upon the school's recommended disbursement date(s).

I must use this money for qualified higher education expenses for the school that certified the loan and for the time period for which the amount was certified. Qualified higher education expenses are limited to: tuition, room, board, fees, books, supplies, equipment, and transportation expenses.

Definitions

Capitalized Interest: Unpaid accrued interest that is added to the principal balance of the loan.

Enrolled Period: The period beginning on the day I receive my first disbursement and ending on the date I, or the benefitting student, graduate or cease at least half-time enrollment at an eligible school.

Repayment Period: The period beginning on the day after the student ceases to be enrolled on at least a half-time basis.

Initial Forbearance Period: The period beginning on the day I receive my final disbursement for which this loan is intended and continuing for the Enrolled Period during which I have elected to postpone payment of accruing interest or make interest payments.

Forbearance Period: A postponement or reduction of payments during the Repayment Period offered at the sole discretion of SCSLC not to exceed 36 months.

Interest

1. **Accrual:** Interest on this loan accrues at the fixed rate defined below. Interest begins to accrue on the date of each disbursement and continues to accrue until the loan is paid in full. Interest accrues on the unpaid principal sum to the extent it is disbursed, and on the unpaid accrued interest added to the principal balance quarterly and at the end of any Forbearance Period. Interest is calculated on the basis of 365.25 days in a year. If I do not pay interest to SCSLC prior to the start of the Repayment Period, such interest will be capitalized. If I am granted forbearance and if I choose not to pay accruing interest charges, the principal balance will increase each time SCSLC capitalizes unpaid interest. As a result, I will pay more interest charges over the life of the loan. When the student leaves school and I begin repaying the loan, my monthly payment amount may be higher.

2. **Fixed Rate for borrowers electing to pay accruing interest during the Enrolled Period:** The loan bears interest at a fixed rate of 4.99%. If I elect to pay the accrued interest and do not do so, even if capitalized, SCSLC may initiate collection actions against me.

3. **Fixed Rate for borrowers electing to postpone payment of full interest during the Enrolled Period:** The loan bears interest at a fixed rate of 6.99%. Borrowers electing to postpone payments of full interest will be subject to a \$25 minimum monthly payment per loan (not to exceed \$50 per borrower) during the Enrolled Period. If I elect to pay the \$25 minimum payment and do not do so, SCSLC may initiate collection actions against me.

The actual interest rate applicable to my loan will be disclosed to me in a disclosure statement.

Repayment

I am obligated to repay the full amount of the loan and accrued interest. It is my responsibility to notify SCSLC of my, or the benefitting student's, enrollment status. I will repay the principal and interest of my loan in periodic installments during the Repayment Period which begins the day immediately following the day the student ceases to be enrolled at least half-time. SCSLC will provide me with a repayment schedule and disclosure statement that identifies my payment amounts and due dates. My repayment schedule may include all of my SCSLC PAL loans.

I agree that SCSLC may grant me a forbearance for purposes of aligning payment dates on my SCSLC PAL loans or to eliminate a delinquency that persists even though I am making scheduled payments. I may repay all or any part of the unpaid balance on my loan at any time without penalty. All payments will be applied first to any outstanding unpaid fees, then to outstanding interest, then to principal.

Fees

Origination Fee: There are no origination fees associated with this loan.

Late Payment Fee: If a payment is more than 10 days late, I agree to pay a late charge of 5% of the unpaid amount, not to be less than \$7.20 or more than \$18.00. These amounts will increase as allowed by Section 37-1-109, Code of Laws, South Carolina (1976).

Returned Items: A \$25.00 fee will be charged to my account if a payment is returned due to insufficient funds or any other reason.

Credit Bureau Notification

Information concerning the amount, disbursement, and repayment of my loan will be reported to one or more national consumer reporting agencies.

Default

At the option of SCSLC, this loan may be in default after any notice required by law, and SCSLC will have the right to give me notice that the whole outstanding principal balance, accrued interest, and all other amounts payable to SCSLC are due and payable at once if any of the following occurs:

1. I fail to make any payment to SCSLC when due; or
2. The prospect of payment is impaired; or
3. I fail to notify SCSLC of a change in my name, address, or forbearance eligibility status within 10 days after a change occurs; or
4. I make any false written statement in applying for this loan or at any time thereafter; or
5. I fail to comply with any of the terms of this loan.

If I default, this will be reported to national consumer reporting agencies and may significantly and adversely affect my credit history. This may adversely affect my ability to obtain credit in the future. If a judgment is obtained on the loan, the judgment will accrue interest at the judgment rate of interest as allowed by law.

Collection Costs

If I default on the loan, I shall pay to SCSLC, or its agents, reasonable collection fees, court costs, and attorney fees, not to exceed 15% of the unpaid debt after default.

Loan Discharge

I acknowledge that this loan is subject to the limitations on dischargeability in bankruptcy contained in the provisions of United States Bankruptcy Code, including, but not limited to, 11 U.S.C. §523.

Loan Sale or Transfer

SCSLC may sell, or otherwise transfer, one or all of my loans without my consent. Should ownership of a loan be transferred, I will be notified of the name, address and telephone number of the new holder if the address to which I make my payments changes. Sale or transfer of my loans to a subsequent holder does not affect my rights and responsibilities.

Governing Law and Notices

The terms of this loan will be interpreted in accordance with South Carolina and federal laws. Any notice required to be given to me will be effective if mailed by first class mail to the latest address I have provided to SCSLC or faxed. Faxed notices are sent to the latest fax number provided to SCSLC. Failure by SCSLC to enforce any term on this Note shall not be a waiver of any right to later enforce that term. No provision of this Note may be modified or waived except in writing. If any provision of this loan is determined to be unenforceable or in violation of law, the remaining provisions shall remain in force.

Borrower Certification and Authorization

I declare that the following are true and correct:

1. The information contained in the Borrower Section of the application is true, complete and correct to the best of my knowledge and belief and is made in good faith.
2. The proceeds of this loan will be used only for educational expenses associated with attendance at the school listed on the application. I hereby authorize the school to pay to the lender any refund which may be due up to the amount of this loan.
3. I understand that I am required to notify SCSLC (or any subsequent holder of my loans) in writing if any of the following events occur before the loan is repaid: (a) I change my address; (b) I change my name (e.g., maiden to married); (c) I, or the benefitting student, fail to enroll at least half-time for the loan period certified, or at the school that certified the application; (d) I, or the benefitting student, withdraw from school or drop to a less than half-time status; (e) I, or the benefitting student, graduate; (f) I change my employer or my employer's address changes; or (g) I have any other change in status that would affect my loan status.
4. I authorize the school, lender or their agents to contact me regarding my loan(s) at the telephone numbers I have provided or which I provide in the future, even if that number is a cellular telephone number. I understand that automated telephone dialing equipment or an artificial pre-recorded voice message may be used.
5. I authorize SCSLC, or its agents, to investigate my credit record and report information concerning my loan status to persons and organizations permitted by law to receive such information.
6. I authorize the release of information pertinent to this loan (a) to the school; and (b) to members of my immediate family unless I submit written directions otherwise; and (c) to other organizations to the extent permitted by law.



Cosigner Addendum

South Carolina Student Loan

IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW LOAN ACCOUNT: To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens a loan account. What this means to you: Your name, address, date of birth, and other information collected on this form will be used to verify your identity. You may also be asked to provide your driver's license or other identifying documents.

Cosigner Information: (Please type or print in ink.)

1. Social Security Number	2. Legal Name		
	(Last)	(First)	(MI)
3. Permanent Mailing Address			4. Date of Birth (mm/dd/yyyy)
Street _____			
City _____ State _____ Zip _____			
5. Driver's License State _____ Number _____		6. Email _____	
7. U.S. Citizenship Status (Check one, and list ID number if applicable)			8. Home Phone ()
<input type="checkbox"/> U.S. citizen or national <input type="checkbox"/> Neither <input type="checkbox"/> Permanent Resident Alien Registration Number _____			Cell Phone ()
9. References: You must have two separate references with different U.S. addresses.			
Name _____		Name _____	
Address _____		Address _____	
City/State/Zip _____		City/State/Zip _____	
Home Phone _____		Home Phone _____	
10. Employment Information (Cosigners must be employed to qualify)			11. Gross Monthly Income
Employer _____ Address _____			\$ _____
City _____ State _____ Zip _____ Telephone _____			

Borrower Information: (Please type or print in ink.)

12. Social Security Number	13. Legal Name		
	(Last)	(First)	(MI)
14. SC PAL Requested Loan Amount (must match amount shown in 11a of SC PAL Application and Promissory Note)			
\$ _____			

Although I will not personally receive any loan proceeds, I promise to pay the full amount of this debt, including unpaid principal, accrued interest, late fees, and/or collection costs if, upon demand by the lender/holder of the Promissory Note executed by the borrower, the borrower fails to repay the debt.

I understand that the lender/holder can use the same collection methods against me that can be used against the borrower. I also understand that the lender/holder, subject to any required cure notices, need not notify me of (1) failure by the borrower to pay any amount due, (2) any sale or other action relating to this loan, (3) acceptance of this guaranty, or (4) any renewal or extension of the borrower's debt. I understand that if this debt is ever in default, that fact will become part of my credit record.

I understand that this is an Addendum to the SC PAL Promissory Note. I will not sign this Addendum before reading it and the SC PAL Promissory Note on the back of this form, even if I am advised not to read these documents. My signature certifies I have read, understand, and agree to the terms and conditions on this Addendum and the Application and Promissory Note, as applicable.

I certify that the information contained on this Addendum is true and accurate.

I authorize the lender, or its agent(s), at any time until the note is paid in full, to investigate my credit record and report information concerning my credit to the proper persons and organizations.

15. I UNDERSTAND THIS IS A LOAN THAT I MUST REPAY IF THE BORROWER DOES NOT. I HAVE RECEIVED A COPY OF THIS NOTE FROM THE BORROWER.

Signature of Cosigner	Date (mm/dd/yyyy)
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On the reverse side of this Cosigner Addendum is the writing setting forth the terms of the Debtor's agreement, which is guaranteed by the cosigner. By signing this Addendum to the SC PAL Promissory Note, the cosigner agrees to abide by the terms and conditions of the Promissory Note, as applicable, in the event the borrower does not repay the loan.

**Upon completion, mail this form and the Notice to Cosigner form to:
SC Student Loan, PO Box 102405, Columbia, SC 29224.**

Please make a copy for your records

PAL Application and Promissory Note (continued)

As used here, "I," "Me" and "My" refer to both the borrower, and/or the benefitting student, and the cosigner. SCSLC refers to the SC Student Loan Corporation and any successor or assignee.

The loan amount(s) under this Application and Promissory Note will be determined by subtracting the Estimated Financial Aid from the school-certified Cost of Attendance. The financial aid office at my, or my benefitting student's, institution will certify eligibility for the loan. Approval of this loan is contingent on my meeting SCSLC's credit criteria. I understand SCSLC is not obligated, now or at any time, to make this or any other loan to me. The amount and the interest rate for my loan as well as any finance charges will be described to me in a notice of loan approval and disclosure statement sent when my loan is approved. I understand that SCSLC will transfer the proceeds of this loan to the certifying school electronically based upon the school's recommended disbursement date(s).

I must use this money for qualified higher education expenses for the school that certified the loan and for the time period for which the amount was certified. Qualified higher education expenses are limited to: tuition, room, board, fees, books, supplies, equipment, and transportation expenses.

Definitions

Capitalized Interest: Unpaid accrued interest that is added to the principal balance of the loan.

Enrolled Period: The period beginning on the day I receive my first disbursement and ending on the date I, or the benefitting student, graduate or cease at least half-time enrollment at an eligible school.

Repayment Period: The period beginning on the day after the student ceases to be enrolled on at least a half-time basis.

Initial Forbearance Period: The period beginning on the day I receive my final disbursement for which this loan is intended and continuing for the Enrolled Period during which I have elected to postpone payment of accruing interest or make interest payments.

Forbearance Period: A postponement or reduction of payments during the Repayment Period offered at the sole discretion of SCSLC not to exceed 36 months.

Interest

1. **Accrual:** Interest on this loan accrues at the fixed rate defined below. Interest begins to accrue on the date of each disbursement and continues to accrue until the loan is paid in full. Interest accrues on the unpaid principal sum to the extent it is disbursed, and on the unpaid accrued interest added to the principal balance quarterly and at the end of any Forbearance Period. Interest is calculated on the basis of 365.25 days in a year. If I do not pay interest to SCSLC prior to the start of the Repayment Period, such interest will be capitalized. If I am granted forbearance and if I choose not to pay accruing interest charges, the principal balance will increase each time SCSLC capitalizes unpaid interest. As a result, I will pay more interest charges over the life of the loan. When the student leaves school and I begin repaying the loan, my monthly payment amount may be higher.

2. **Fixed Rate for borrowers electing to pay accruing interest during the Enrolled Period:** The loan bears interest at a fixed rate of 4.99%. If I elect to pay the accrued interest and do not do so, even if capitalized, SCSLC may initiate collection actions against me.

3. **Fixed Rate for borrowers electing to postpone payment of full interest during the Enrolled Period:** The loan bears interest at a fixed rate of 6.99%. Borrowers electing to postpone payments of full interest will be subject to a \$25 minimum monthly payment per loan (not to exceed \$50 per borrower) during the Enrolled Period. If I elect to pay the \$25 minimum payment and do not do so, SCSLC may initiate collection actions against me.

The actual interest rate applicable to my loan will be disclosed to me in a disclosure statement.

Repayment

I am obligated to repay the full amount of the loan and accrued interest. It is my responsibility to notify SCSLC of my, or the benefitting student's, enrollment status. I will repay the principal and interest of my loan in periodic installments during the Repayment Period which begins the day immediately following the day the student ceases to be enrolled at least half-time. SCSLC will provide me with a repayment schedule and disclosure statement that identifies my payment amounts and due dates. My repayment schedule may include all of my SCSLC PAL loans.

I agree that SCSLC may grant me a forbearance for purposes of aligning payment dates on my SCSLC PAL loans or to eliminate a delinquency that persists even though I am making scheduled payments. I may repay all or any part of the unpaid balance on my loan at any time without penalty. All payments will be applied first to any outstanding unpaid fees, then to outstanding interest, then to principal.

Fees

Origination Fee: There are no origination fees associated with this loan.

Late Payment Fee: If a payment is more than 10 days late, I agree to pay a late charge of 5% of the unpaid amount, not to be less than \$7.20 or more than \$18.00. These amounts will increase as allowed by Section 37-1-109, Code of Laws, South Carolina (1976).

Returned Items: A \$25.00 fee will be charged to my account if a payment is returned due to insufficient funds or any other reason.

Credit Bureau Notification

Information concerning the amount, disbursement, and repayment of my loan will be reported to one or more national consumer reporting agencies.

Default

At the option of SCSLC, this loan may be in default after any notice required by law, and SCSLC will have the right to give me notice that the whole outstanding principal balance, accrued interest, and all other amounts payable to SCSLC are due and payable at once if any of the following occurs:

1. I fail to make any payment to SCSLC when due; or
2. The prospect of payment is impaired; or
3. I fail to notify SCSLC of a change in my name, address, or forbearance eligibility status within 10 days after a change occurs; or
4. I make any false written statement in applying for this loan or at any time thereafter; or
5. I fail to comply with any of the terms of this loan.

If I default, this will be reported to national consumer reporting agencies and may significantly and adversely affect my credit history. This may adversely affect my ability to obtain credit in the future. If a judgment is obtained on the loan, the judgment will accrue interest at the judgment rate of interest as allowed by law.

Collection Costs

If I default on the loan, I shall pay to SCSLC, or its agents, reasonable collection fees, court costs, and attorney fees, not to exceed 15% of the unpaid debt after default.

Loan Discharge

I acknowledge that this loan is subject to the limitations on dischargeability in bankruptcy contained in the provisions of United States Bankruptcy Code, including, but not limited to, 11 U.S.C. §523.

Loan Sale or Transfer

SCSLC may sell, or otherwise transfer, one or all of my loans without my consent. Should ownership of a loan be transferred, I will be notified of the name, address and telephone number of the new holder if the address to which I make my payments changes. Sale or transfer of my loans to a subsequent holder does not affect my rights and responsibilities.

Governing Law and Notices

The terms of this loan will be interpreted in accordance with South Carolina and federal laws. Any notice required to be given to me will be effective if mailed by first class mail to the latest address I have provided to SCSLC or faxed. Faxed notices are sent to the latest fax number provided to SCSLC. Failure by SCSLC to enforce any term on this Note shall not be a waiver of any right to later enforce that term. No provision of this Note may be modified or waived except in writing. If any provision of this loan is determined to be unenforceable or in violation of law, the remaining provisions shall remain in force.

Borrower Certification and Authorization

I declare that the following are true and correct:

1. The information contained in the Borrower Section of the application is true, complete and correct to the best of my knowledge and belief and is made in good faith.
2. The proceeds of this loan will be used only for educational expenses associated with attendance at the school listed on the application. I hereby authorize the school to pay to the lender any refund which may be due up to the amount of this loan.
3. I understand that I am required to notify SCSLC (or any subsequent holder of my loans) in writing if any of the following events occur before the loan is repaid: (a) I change my address; (b) I change my name (e.g., maiden to married); (c) I, or the benefitting student, fail to enroll at least half-time for the loan period certified, or at the school that certified the application; (d) I, or the benefitting student, withdraw from school or drop to a less than half-time status; (e) I, or the benefitting student, graduate; (f) I change my employer or my employer's address changes; or (g) I have any other change in status that would affect my loan status.
4. I authorize the school, lender or their agents to contact me regarding my loan(s) at the telephone numbers I have provided or which I provide in the future, even if that number is a cellular telephone number. I understand that automated telephone dialing equipment or an artificial pre-recorded voice message may be used.
5. I authorize SCSLC, or its agents, to investigate my credit record and report information concerning my loan status to persons and organizations permitted by law to receive such information.
6. I authorize the release of information pertinent to this loan (a) to the school; and (b) to members of my immediate family unless I submit written directions otherwise; and (c) to other organizations to the extent permitted by law.

Notice to Cosigner

You agree to pay the debt identified below although you may not personally receive any property, services, or money. You may be sued for payment although the person who receives the property, services, or money is able to pay. This notice is not the contract that obligates you to pay the debt. Read the contract for the exact terms of your obligation.

IDENTIFICATION OF DEBT YOU MAY HAVE TO PAY

Name of Borrower (Debtor) _____

Borrower (Debtor) SSN _____

Name of Lender **SC Student Loan Corporation** _____

Date (mm/dd/yyyy) _____

Kind of Debt **Palmetto Assistance Loan** _____

I have received a copy of this notice.

Date (mm/dd/yyyy)

Cosigner Signature

Print Cosigner Name

Cosigner SSN

Upon completion, mail this form and the Cosigner Addendum to:
SC Student Loan, PO Box 102405, Columbia, SC 29224.

Please make a copy for your records



Private Education Loan Applicant Self-Certification

OMB No. 1845-0101
Form Approved
Exp. Date 07-31-2019



Important: Pursuant to Section 155 of the Higher Education Act of 1965, as amended, (HEA) and to satisfy the requirements of Section 128(e)(3) of the Truth in Lending Act, a lender must obtain a self-certification signed by the applicant before disbursing a private education loan. The school is required on request to provide this form or the required information only for students admitted or enrolled at the school. Throughout this Applicant Self-Certification, "you" and "your" refer to the applicant who is applying for the loan. The applicant and the student may be the same person.

Instructions: Before signing, carefully read the entire form, including the definitions and other information on the following page. Submit the signed form to your lender.

SECTION 1: NOTICES TO APPLICANT

- Free or lower-cost Title IV federal, state, or school student financial aid may be available in place of, or in addition to, a private education loan. To apply for Title IV federal grants, loans and work-study, submit a Free Application for Federal Student Aid (FAFSA) available at www.fafsa.ed.gov, or by calling 1-800-4-FED-AID, or from the school's financial aid office.
- A private education loan may reduce eligibility for free or lower-cost federal, state, or school student financial aid.
- You are **strongly** encouraged to pursue the availability of free or lower-cost financial aid with the school's financial aid office.
- The financial information required to complete this form can be obtained from the school's financial aid office. If the lender has provided this information, you should contact your school's financial aid office to verify this information and to discuss your financing options.

SECTION 2: COST OF ATTENDANCE AND ESTIMATED FINANCIAL ASSISTANCE

If information is not already entered below, obtain the needed information from the school's financial aid office and enter it on the appropriate line. Sign and date where indicated. See Section 5 for definitions of financial aid terms.

- A. Student's cost of attendance for the period of enrollment covered by the loan \$ _____
- B. Estimated financial assistance for the period of enrollment covered by the loan \$ _____
- C. Difference between amounts A and B \$ _____

WARNING: If you borrow more than the amount on line C, you risk reducing your eligibility for free or lower-cost federal, state, or school financial aid.

SECTION 3: APPLICANT INFORMATION

Enter or correct the information below.

Full Name and Address of School _____

Applicant Name (last, first, MI) _____ Date of Birth (mm/dd/yyyy) ____/____/____

Permanent Street Address _____

City, State, Zip Code _____

Area Code / Telephone Number Home () _____ Other () _____

E-mail Address _____

Period of Enrollment Covered by the Loan (mm/dd/yyyy) From ____/____/____ to ____/____/____

If the student is not the applicant, provide the student's name and date of birth.

Student Name (last, first, MI) _____ Student Date of Birth (mm/dd/yyyy) ____/____/____

SECTION 4: APPLICANT SIGNATURE

I certify that I have read and understood the notices in Section 1 and, that to the best of my knowledge, the information provided on this form is true and correct.

Signature of Applicant _____ Date (mm/dd/yyyy) _____

SECTION 5: DEFINITIONS

Cost of attendance is an estimate of tuition and fees, room and board, transportation, and other costs for the period of enrollment covered by the loan, as determined by the school. A student's cost of attendance may be obtained from the school's financial aid office.

Estimated financial assistance is all federal, state, institutional (school), private, and other sources of assistance used in determining eligibility for most Title IV student financial aid, including amounts of financial assistance used to replace the expected family contribution. The student's estimated financial assistance is determined by the school and may be obtained from the school's financial aid office.

A **lender** is a private education lender as defined in Section 140 of the Truth in Lending Act and any other person engaged in the business of securing, making, or extending private education loans on behalf of the lender.

A **period of enrollment** is the academic year, academic term (such as semester, trimester, or quarter), or the number of weeks of instructional time for which the applicant is requesting the loan.

A **private education loan** is a loan provided by a private education lender that is not a Title IV loan and that is issued expressly for postsecondary education expenses, regardless of whether the loan is provided through the school that the student attends or directly to the borrower from the private education lender. A private education loan does not include (1) An extension of credit under an open-end consumer credit plan, a reverse mortgage transaction, a residential mortgage transaction, or any other loan that is secured by real property or a dwelling; or (2) An extension of credit in which the school is the lender if the term of the extension of credit is 90 days or less or an interest rate will not be applied to the credit balance and the term of the extension of credit is one year or less, even if the credit is payable in more than four installments.

Title IV student financial aid includes the Federal Pell Grant Program, the Federal Supplemental Educational Opportunity Grant (FSEOG) Program, the Federal Work-Study (FWS) Program, the William D. Ford Federal Direct Loan (Direct Loan) Program, the Federal Perkins Loan Program, and the Teacher Education Assistance for College and Higher Education (TEACH) Grant Program. To apply for Title IV federal grants, loans, and work-study, submit a Free Application for Federal Student Aid (FAFSA), which is available at www.fafsa.gov, by calling 1-800-4-FED-AID, or from the school's financial aid office.

SECTION 6: PAPERWORK REDUCTION NOTICE

Paperwork Reduction Notice: According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a currently valid OMB control number. The valid OMB control number for this information collection is 1845-0101. The time required to complete this information collection is estimated to average 0.25 hours (15 minutes) per response, including the time to review instructions, search existing data resources, gather and maintain the data needed and complete and review the information collection.

If you have any comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: U.S. Department of Education, Washington, DC 20202-4651

If you have any comments or concerns regarding the status of your individual submission of this form, contact your lender.

Please return this form to:



PO Box 102405
Columbia, SC 29224
(800) 347-2752
Fax: (803) 772-9410



School Certification



SC Student Loan
PO Box 102405
Columbia, SC 29224

Items 1-5 to be completed by borrower

1. Borrower's SSN	2. Borrower's Last Name	First Name	MI
3. Student SSN if Different		4. Student Name if Different	
5 a. Loan Amount Requested For Loan Period*		b. Loan Period	
\$ _____		From(mm/yyyy) _____ / _____ To (mm/yyyy) _____ / _____	

* Refer to Item 11a and 11b on Application and Promissory Note

To be completed by a financial aid administrator or other school official authorized to certify financial aid forms.

6. Lender ID 833128 South Carolina Student Loan PO Box 102405 Columbia, SC 29224 Phone: (800) 347-2752 Fax: (803) 772-9410	7. School Code	8. School Name & Address
9. Grade Level	10. Enrollment Status <input type="checkbox"/> Full Time <input type="checkbox"/> Half Time	11. Anticipated Graduation Date
12. Loan Period (Month/Day/Year) From: _____ To: _____		13. Certified Loan Amount
14. Recommended Disbursement Date(s) (Month/Day/Year) 1st 2nd 3rd 4th		
This space reserved for additional disbursement dates if needed.		

School Certification

I hereby certify that the eligible student named on this Certification is accepted for enrollment on at least a half-time basis and is making satisfactory progress in an eligible program. I further certify that the student is not incarcerated, and that the borrower has been determined eligible for loan(s) in the amount(s) certified. I further certify that the disbursement schedule complies with the institution's academic calendar and hereby authorize the lender to adjust disbursement dates if necessary. I further certify that the information provided in this Certification is true, complete, and accurate to the best of my knowledge and belief.

Signature of Authorized School Official _____ Date _____

Name/Title (Printed or Typed) _____

Upon completion of items 1-5, mail this form and the Application and Promissory Note to your college's financial aid office.
After college financial aid office's completion, both forms should be sent to:
SC Student Loan, PO Box 102405, Columbia, SC 29224.